GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

Agricultural Marketing Department – Deployment of Central Market Fund for the purpose of creation of infrastructure facilities in participation with State owned undertakings – Orders – Issued.

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AGRICULTURE AND COOPERATION (MKTG-II) DEPARTMENT

G.O.Ms.No.39 Dated:26.05.2022

Read the following:-

1. A.P.Gazette No.71, dated:25th March 1998 Rules supplement to Part-II.
2. G.O.Ms. No.247, A&C (AM-II) Department,dt:13.08.2007.
3. From the Commissioner & Director of Agricultural Marketing, A.P., Guntur Lr.No.AGC05-11030/12/ 2022, dated:25-02-2022.
4. G.O.Ms.No.27, Agri. & Coop. (MKTG-II) Dept., dated:22.04.2022.
5. G.O.Ms.No.32, Agri. & Coop. (MKTG-II) Dept., dated:05.05.2022.
6. The AP(AP&LS) Markets (Amendment) Ordinance, 2022 (A.P.Ordinance No.5 of 2022).
7. G.O.Ms.No.38, Agri. & Coop. (MKTG-II) Dept., dated:26.05.2022.

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ORDER:

In reference 3rd read above, the Commissioner & Director of Agricultural Marketing has proposed to increase the Market Fee on paddy to 2% of the trade value and Market Fee on Prawns / Shrimps to 1% of the trade value duly amending the Bylaw 24(1) of the AMCs. The enhanced amount is intended to be utilized to create infrastructure facilities in Market Yards and primary processing facilities for farmers, improve connectivity from farm gate to market committees and Markets and also for the development of Rythu Bazars in the State.

2. The Commissioner & Director of Agricultural Marketing has further recommended that the Andhra Pradesh State Warehousing Corporation may be appointed as a Nodal Agency to function as Transaction Advisor to approach the financial institutions / Scheduled Banks to raise the necessary loan of approximately Rs.1600 Cr. for building the proposed infrastructures i.e., market yards infrastructure, primary processing facilities for farmers, improving connectivity from farm gate to market committees and Markets etc..

3. In the reference 4th read above, the Government have issued orders to revise the market fee on the trade value of Paddy from existing 1% to 2% and in respect of export prawns/shrimp from existing 0.25% to 1% on the trade value and in respect of domestic prawns/shrimp from existing 0.50% to 1% on the trade value duly cancelling the G.O.Ms.No.247, dt:13.08.2007 of Agriculture &Cooperation (AM-II) Department.

4. Government have examined the proposals of the Commr. & Director of Agrl. Marketing and felt that certain amendments are required to the section (16) of Andhra Pradesh (Agricultural Produce & Livestock) Markets Act, 1966. Accordingly, Government have issued an Ordinance amending section 16(1)(a), 16(2) and 16(2)(iii) (b) vide reference 6th read above.

5. The orders issued in the reference 5th read above have been cancelled vide G.O.Ms.No.38, Agri. & Coop. (MKTG-II) Dept., dated:26.05.2022.

P.T.O

6. After careful examination of the matter in detail, Government hereby order the following:-

a) Government hereby permit the Commissioner & Director of Agricultural Marketing to deposit the Central Market Fund contribution amount in any scheduled bank and also permit to collect the additional contribution amount to Central Market Fund from specified Agricultural Market Committees in the State as mentioned in Annexure as per section 16(1)(a) and 16(2) of Andhra Pradesh (Agricultural Produce & Livestock) Markets Act, 1966. The additional contribution of funds shall be in force up to 10 years i.e., till 2032 or till the repayment of the loan is complete, post which the government may take a view on the continuation of the additional contribution.

b) Government also hereby permit the AP State Warehousing Corporation to act as an end to end transaction advisor to Commissioner & Director of Agricultural Marketing on mutually agreed terms to raise the loan of upto Rs.1600.00 Crores from various financial institutions / Scheduled Banks against the Central Market Fund of upto Rs.250 Crores per year for creating infrastructure facilities such as Agriculture and Agricultural Marketing activities including improving connectivity from farm gate to markets, primary processing facilities, Rythu Bazars, farm gate infrastructure and facilities in the market yards.

c) Government further permit the AP State Warehousing Corporation to use the services of Andhra Pradesh Urban Infrastructure Asset Management Limited (APUIAML) to act as financial advisor to prepare necessary DPR and to raise loan of Rs.1600 Crores.

d) As per Section 16(1A), 16(2) and 16(2) (iii) (b), Government hereby permit the Commissioner & Director of Agricultural Marketing to deploy the funds of Rs.250 Crores every year from Central Market Fund in such instalments as deemed necessary to the Escrow Account to be maintained by Andhra Pradesh State Warehousing Corporation.

e) Government hereby permit the Andhra Pradesh State Warehousing Corporation to open an Escrow account to collect such amount of Rs. 250.00 Crores every year from Central Market Fund as transferred by the Commissioner & Director of Agricultural Marketing.

f) Government further permit the AP State Warehousing Corporation to make necessary disbursal to the concerned Department based on the recommendations given by the implementing agencies in respect of the works executed by them.

g) Government hereby direct that the Panchayat Raj Department shall submit utilization certificates (UCs) to the Commissioner & Director of Agricultural Marketing for audit purpose.

h) Government also permit the Commissioner &Director of Agricultural Marketing and Vice Chairman & Managing Director, Andhra Pradesh State Warehousing Corporation to conclude necessary agreements with the lending institutions / Scheduled Banks to obtain loans.

7. The Commissioner & Director of Agricultural Marketing and Vice Chairman & Managing Director, Andhra Pradesh State Warehousing Corporation shall take further necessary action in the matter accordingly.

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8. This orders issues with the concurrence of the Finance Department vide their U.O.No. FMUOASD(AC)/21/2022, Dt: 21/03/2022.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

Y MADHUSUDHANA REDDY
PRINCIPAL SECRETARY TO GOVERNMENT

To:
The Commissioner & Director of Agricultural Marketing, A.P., Guntur.
The Vice Chairman & Managing Director, Andhra PradeshState Warehousing Corporation, Vijayawada.
Copy to:-
The Panchayat Raj & Rural Development Department.
The PS to Spl.Secy.to C.M.,
The OSD to Minister (Agri.&Mktg.).
The P.S. to Prl. Secy.To Govt., (Coop. & Mktg.)
SF/SCs.

//FORWARDED:: BY ORDER//

SECTION OFFICER

Encl: Annexure